

## **EUROCASH**

### **Current report No. 43/2011**

#### **Conclusion of agreements with PZU Group companies**

The Management Board of Eurocash S.A. (hereinafter “Eurocash”) announces that on 25 August 2011, Eurocash concluded agreements with Powszechny Zakład Ubezpieczeń SA with its registered office in Warsaw, Powszechny Zakład Ubezpieczeń na Życie SA with its registered office in Warsaw (hereinafter jointly referred to as “PZU”), and Towarzystwo Funduszy Inwestycyjnych PZU S.A. with its registered office in Warsaw (hereinafter “TFI PZU”), the subject of which is determining the rights and obligations of the parties related to the establishment, operation, and participation in a non-public assets closed investment fund (hereinafter “Fund”), created by TFI PZU.

The main purpose of the Fund will be the purchase, through special purpose vehicles, of real properties on which warehouses or distribution centres used by Eurocash or Eurocash Group companies will be located. This will allow Eurocash Group companies to increase their rate of expansion. In addition, the Fund, through its special purpose vehicles, will purchase those real properties that are currently the subject of the right of ownership/perpetual usufruct to which Eurocash is entitled.

The parties intend that the total value of the real properties of the Fund be up to PLN 330,000,000.00 before the end of three years from the date of the establishment of the Fund. For the purpose of ensuring financing for the operations of the Fund, Eurocash will take up the Fund’s certificates in exchange for the payment of the total amount of PLN 35,000,000.00, while PZU will take up the Fund’s certificates in exchange for the payment of the total amount of PLN 130,000,000.00. The parties will work toward ensuring that the remaining funds necessary to reach the planned value of the Fund’s portfolio are obtained from bank loans or through the involvement of an investor other than PZU and Eurocash. It is also possible that PZU will make additional financing available.

The entry into effect of the agreements depends on obtaining administrative approvals in the event where such approvals turn out to be necessary for the performance of the concluded agreements.

*Legal basis: Section 56.1.1 of the Act dated 29 July 2005 on public offerings and the conditions for introducing financial instruments to organised trading and on public companies (Dz.U. [Polish Journal of Laws] No. 184 item 1539).*